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11 February 1949

Mr. Allen W. Dulles
Sullivan and Cromwell
48 Wall Street
New York, New York

Dear Allen:

I am sure that you would like to hear from time to time about further developments in the handling of the report.

The IAC Standing Committee met on Wednesday, at which time it was decided to submit a coordinated IAC reply on certain recommendations in the report. It was also agreed to submit separate views on other recommendations in the report. There was discussion of the various questions involved and some agreement was reached as to the comment to be submitted. This might be roughly summarized as follows:

1. The Director of CIA will submit separately whatever comments he wishes.
2. The IAC will submit joint comments on the following questions:
 - a. There should be a closer relationship between the IAC and JIC (general agreement)
on this recommendation
 - b. CIA should establish a closer relationship with the Secretary of State and the Secretary of Defense (general agreement)
 - c. The FBI should be added to the membership of the IAC (general agreement)
 - d. The concept of the IAC is sound, but the IAC should be more active (agreement except for Navy dissent on grounds yet unspecified)
 - e. The IAC should assume collective responsibility for national intelligence estimates (general agreement by all Standing Committee Members except CIA, whose position is still in doubt)
 - f. Provision should be made for handling estimates in crisis situations (same as under "e" above)
 - g. Joint Staff and Atomic Energy representation on the IAC should not be terminated (general agreement to dissent on this point)

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3. It was agreed to submit separate comments on the following points:
 - a. The performance by the Director of CIA of his responsibility to coordinate intelligence activities (Apparently State holds that he should "crack the whip" whereas the military people held that he could not do so insofar as the Military Establishment was concerned)
 - b. The preparation by CIA of separate, independent reports and estimates

That is a summary of the discussion in the IAC Standing Committee meeting. There is to be an IAC meeting next Friday, at which, presumably, decisions on the above questions will be reached.

It is obvious that comments limited to the above points will not get to the heart of the matter, as the IAC is avoiding commenting on all those recommendations which concern internal CIA organization as well as the competence of CIA direction. The State Department, in particular, is well aware of this drawback and is proposing to submit independently of the above a general departmental comment on the entire report over the Secretary's signature. The report has not yet been studied by Acheson and Webb, but has met with a very favorable reception among all those in the State Department who have seen it (this includes Kennan, Armstrong and Humelsine, who is Head of the Secretariat). In order to elicit overall comments from the other departments, Mr. Souers may be asked (probably by Mr. Ohly) specifically to request individual departmental comments on the entire report, separate from the IAC comments. Incidentally, Webb, the new Under Secretary of State, called Mr. Souers earlier this week to express his disapproval of the procedure whereby comments were being channeled through Hillenkoetter and to tell him that the State Department was proposing to submit separate comments to the National Security Council.

I think that about summarizes the present position. You can see that the procedure is a confused one, although I believe it can be prevented from getting out of hand. It is my estimate that the NSC will probably meet to review the situation toward the end of the month, and I think that, at that time, Forrestal and Acheson should be asked to come back to the NSC with formal recommendations on action to be taken. I hope that the members of the Survey Group will be asked to attend the initial NSC meeting when the report and comments are discussed.

Sincerely yours,

Robert Blum

cc: Mr. Jackson
Mr. Correa

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